

not speculate with it. They would have to put it into basically large mutual funds which would be approved by and would be under the fiduciary control of the Social Security trustees.

Mr. President, I note it is 3 o'clock. I ask unanimous consent to proceed for another 4 minutes.

Mr. BURNS. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized.

Mr. GREGG. Mr. President, a person would have this asset called a personal account which they would have to invest in three, four, five, or six different funds set up under the auspices of the Social Security Administration. The asset would be owned by that person. If they were to die at 45 or 59 or even 66, their estate would receive the asset held in that account and it would go to their wife, husband, children, or to whomever they wanted it to go.

Equally important, the rate of return on personal accounts would dramatically exceed what one gets under the Social Security system today. A person who is today beginning in the workplace, who is about 22 or 25 years old, is going to pay more, if they are an African American, into the trust funds than they will ever receive from the trust funds. In other words, they get zero rate of return.

If one happens to be a typical, average American, their rate of return in the Social Security trust funds, if they are in their twenties today, is about 1.4 percent. If they are in their thirties, it might get up to 2 percent. If they are in their forties, it might reach 2.5 percent—might. It is a terrible rate of return under the Social Security system. People are paying all these taxes and getting virtually nothing in return.

Under a personal account—remember, it is only a small percentage of one's Social Security tax which is going to be invested in this personal account—one will own the asset; plus, the average rate of return over any 20-year period, including the Depression, of investment in the stock market exceeds 5 percent. Since I am talking about a 20-year period, not a 4-month period or a 5-month period or a 1-year period or 3-year period, one can be pretty sure the rate of return on the personal account is going to be at least twice the rate of return on the taxes that person is paying into the Social Security fund generally.

That is called prefunding liability. In other words, we are going to give a person the opportunity as a citizen, especially a younger citizen—people over 55 are not going to be affected by this at all—to actually own an asset and have that asset grow at a rate that is at least twice the rate of their investment in Social Security. Then when they retire, that asset will be physically there to benefit them in their retirement. The liability that is owed to that per-

son by the Federal Government will have actually been prefunded. There are many ways we can talk about that, but it gets into some complexities I do not have time for now.

Essentially, what it means is that the younger generation, instead of having to pay a huge tax increase to support retirement, is going to actually be creating assets which give them, when they retire, a rate of return which will be significantly or at least as good as what they would get under Social Security without having to pay all these new taxes. It is a way of keeping the system solvent and, at the same time, maintaining a benefit structure that is reasonable and, at the same time, not dramatically increasing taxes.

What we have is a pretty simple debate, in real terms, between the Vice President and Governor Bush. The Vice President does not want to tell people the younger generation is going to get hit with a huge burden of new taxes under his plan, and he does not want to tell us how he is going to address the Social Security system and reform it in the outyears. Governor Bush, on the other hand, is willing to step forward and put some interesting and innovative ideas on the table to address one of the most critical issues that will face our country over the next 30 or 40 years.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GREGG. Mr. President, I appreciate the courtesy of the Senator from Montana. I yield the floor.

#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

#### MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2001

The PRESIDING OFFICER. The Senate will now resume consideration of S. 2521, which the clerk will report by title.

The assistant legislative clerk read as follows:

A bill (S. 2521) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I am reluctant to proceed on this bill, although I think we will hold it. My ranking member, Senator MURRAY from Washington, will not be back in town until 5 o'clock this afternoon. This was the weekend her son was married in Seattle. She is returning from her State. I have no comments to make. If Senators want to make comments on the bill, they are free to do so. In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I appreciate the opportunity to address the Senate once again on the subject of military construction projects added to an appropriations bill that were not requested by the Department of Defense. This bill contains almost \$900 million in unrequested military construction projects.

What makes this bill even more offensive than most pork-laden military construction bills is the fact that, while the Senate is willing to act swiftly to approve these pork-barrel projects, we have failed to act to end the disgraceful situation of more than 12,000 military families forced to use food stamps to make ends meet. For the second year in a row, Congress is on the verge of spending hundreds of millions of dollars for purely parochial reasons, while rejecting a proposal that would cost just \$6 million per year to take care of those military families most in need.

I am appalled at the extraordinary and inexplicable resistance I have encountered to enacting legislation to get these brave young men and women and their families off food stamps. I am ashamed that the Senate would put hometown construction projects ahead of desperately needed relief for our most junior enlisted personnel.

I appreciate the Senate's unanimous expression of support during consideration of the budget resolution for additional funding for food stamp relief in the defense budget, and I hope my colleagues will reiterate that support when I offer an amendment to the defense authorization bill to end the food stamp Army once and for all.

Every year, I come to the Senate floor for the express purpose of highlighting programs and projects added to spending bills for primarily parochial reasons. While I recognize that many of the projects added to this bill may be worthwhile, the process by which they were selected violates at least one, if not several, of the criteria set out several years ago to limit just this sort of wasteful spending.

I will address the Kosovo language included in this bill at another time. Suffice to say for now that this language, grounded though it may be in an understandable frustration with the Administration and our allies' handling of that contingency, represents foreign policy making by Congress at its worst. This language, certain to prompt a veto of the bill, constitutes a highly questionable approach to solving the problem of burden-sharing and